

**CITY OF PHILADELPHIA
BOARD OF PENSIONS AND RETIREMENT
Meeting of January 26, 2012**

MINUTES

On January 26, 2012, Paula Weiss called the Regular Meeting of the Board of Pensions and Retirement to order at 9:00 a.m. in the Board's Conference Room.

Present: Paula Weiss
Harvey Rice
Brian Albert
Celia O'Leary
Carol Stukes
Ronald Stagliano
John Reilly
Veronica Pankey
Hilary Cornell

Also Attending: Francis Bielli, Mark Murphy, Shamika Taliaferro – Board of Pensions
Christopher DiFusco – Law Department
Sumit Handa, Brad Woolworth – Board of Pensions, Investment Unit
Andrew Thomas – Fire Department
Chester Skaziak – Retiree
Lisa Pottiger - Citizen
Will Greene – Loop Capital Mkts.

Paula Weiss stated that the first order of business was the consideration of the Minutes of January 5, 2012.

John Reilly made a motion to approve the Minutes of January 5, 2012. Ronald Stagliano seconded the motion.

The motion to approve the Minutes of January 5, 2012 carried unanimously 8-0.

CONSIDERATION OF (103) PENSION APPLICATIONS AND (99) WITHDRAWAL APPLICATIONS

Ronald Stagliano made a motion to approve. Brian Albert seconded the motion.

The motion to approve carried unanimously 8-0.

APPLICATIONS FOR SERVICE-CONNECTED DISABILITY BENEFITS**Case of George Sambuca, Application for Service-Connected Disability Benefits – Plan “B”**

This is an application by George Sambuca, former Police Officer, Police Department, for Service-Connected Disability Benefits in Plan “B”.

Mr. Sambuca sustained the injury on February 1, 2011 while responding to a domestic dispute and he was attacked from behind by the suspect. The nature of Mr. Sambuca’s disability is limited mobility due to damage to his wrist.

Ronald Stagliano made a motion to approve. Veronica Pankey seconded the motion.

The motion to approve carried 7-1.

Case of Sean Stewart, Application for Service-Connected Disability Benefits – Plan “B”

This is an application by Sean Stewart, former Police Officer, Police Department, for Service-Connected Disability Benefits in Plan “B”.

Mr. Stewart sustained injuries to his hand and arm when he slipped and fell on a wet floor, striking his head and landing on his left arm. He also suffers from headaches. His date of injury is June 6, 2009.

Hilary Cornell made a motion to deny. Celia O’Leary seconded the motion.
The motion to deny failed 3-5.

Ronald Stagliano made a motion to approve. Carol Stukes seconded the motion.

The motion to approve carried 5-3.

Case of Keith Gidelson, Application for Service-Connected Disability Benefits – Plan “B”

This is an application by Keith Gidelson, former Police Officer, Police Department, for Service-Connected Disability Benefits in Plan “B”.

Mr. Gidelson sustained injuries on June 13, 2006 when his patrol car was hit by another driver while he was responding to a police call regarding another incident.

Hilary Cornell made a motion to deny. Celia O’Leary seconded the motion.

The motion to deny carried 4-0-4.

Case of Ralph Dietrich, Application for Service-Connected Disability Benefits – Plan “X”

This is an application by Ralph Dietrich, former Fire Fighter, Fire Department, for Service-Connected Disability Benefits in Plan “X”.

Mr. Dietrich sustained an injury to his spine when he fell off the top of the fire truck while checking the truck at the beginning of the shift. His dates of injury are March 29, 2009 and June 26, 2011.

Carol Stukes made a motion to approve. Ronald Stagliano seconded the motion.

The motion to approve carried unanimously 8-0.

APPLICATION FOR SERVICE-CONNECTED DISABILITY BENEFITS BEYOND THE ONE-YEAR DEADLINE

Case of Erlinda Dickerson, Application for Service-Connected Disability Benefits beyond the one-year deadline - Plan “Y”

This is an application by Erlinda Dickerson, former Clerk Typist 2, Police Department, for Service-Connected Disability Benefits beyond the one-year deadline in Plan “Y”.

Ms. Dickerson separated from the City of Philadelphia effective February 11, 2008. At that time, she did not apply for any type of retirement benefits. She is currently receiving Workers’ Compensation benefits from CompServices, Inc. Ms. Dickerson applied for Service-Connected Disability (SCD) retirement benefits on June 17, 2011. On December 5, 2011, the Board of Pensions responded that due to Chapter 22, Section 401 (1) (d), Ms. Dickerson would not be eligible to apply for SCD benefits. On January 3, 2012, Ms. Dickerson appealed that decision.

(1) *Qualification.* Any member found by the Board to be permanently incapacitated from further performance of duty, which incapacity resulted solely from the performance of the duties of the member's position and was not caused by the member's own wrongful conduct, shall be retired and shall receive service-connected disability retirement benefits. To approve an application for such benefits, the Board must find that:

- (d) an application for service-connected disability retirement benefits is filed within one (1) year after separation from service, except as provided in § [22-401\(3\)](#).

Hilary Cornell made a motion to deny. Brian Albert seconded the motion.

The motion to deny carried 4-3-1.

Case of Joseph Dopirak, Appeal of Administrative Denial to Withdraw from DROP

The Board received Joseph Dopirak's application for DROP on June 8, 2011. Staff determined his earliest eligible date to enter was September 19, 2011 with credited service of 16 years, 3 months. On July 19, 2011, Joseph Dopirak completed and returned to the Board his Memo of Intent to enter DROP effective September 19, 2011. On September 13, 2011, Mr. Dopirak completed the required paperwork at that time committing him to DROP entry.

On December 9, 2011, Mr. Dopirak requested (in writing) permission to withdraw from DROP stating he's been unhappy with his decision. On December 19, 2011 Pension Administrator, Shamika Taliaferro administratively denied Mr. Dopirak's request given that participation in DROP is irrevocable pursuant to the Code and Regulation 8.

Mr. Dopirak's appeal to Francis Bielli, Executive Director was received on January 12, 2012.

Hilary Cornell made a motion to deny. Brian Albert seconded the motion.

The motion to deny carried unanimously 8-0.

PENSION DISQUALIFICATIONS

Case of Anthony Floyd - Pension Disqualification and Termination of Benefits, Plan "D"

Anthony Floyd was hired by the City of Philadelphia Police Department on September 26, 1984. After attaining twenty-five years, two months and four days of credited service, Mr. Floyd separated effective May 11, 2010. He is currently receiving monthly service pension benefits in the amount of \$3154.42

On October 28, 2011, Inspector General Amy Kurland wrote to Executive Director Francis Bielli, and provided documentation concerning the guilty plea of Anthony Floyd on one count of Stalking- Repeatedly Commit Acts to Cause Fear, for acts committed in connection with his employment.

Prior to his retirement, Mr. Floyd worked as Philadelphia Police Officer, and in this capacity, the City issued to him a cellular telephone. Between February 1, 2010, and February 3, 2010 Mr. Floyd used this cell phone to send a series of harassing and threatening phone calls to his girlfriend. These messages culminated in an assault on the girlfriend at her residence.

On January 18, 2012, Joshua Stein, Deputy City Solicitor, opined the crime committed by Mr. Floyd triggers the forfeiture and disqualification provisions of the Philadelphia Code. Therefore, based on the above-mentioned crime, Mr. Floyd is disqualified from pension eligibility.

Mr. Stein advises the Board must vote on the following:

- Whether to immediately suspend benefits currently being paid to Anthony Floyd.

- Whether Mr. Floyd should be permanently disqualified and terminated from pension eligibility, and
- Whether Mr. Floyd's pension contributions should be retained for payment of any applicable outstanding court-ordered fines and restitution.

Attached are the following:

1. Opinion from Joshua Stein Deputy City Solicitor dated December January 18, 2012.
2. Request from Inspector General Amy Kurland, dated October 28, 2011.
3. Plea agreement and Notice of Sentencing, dated September 9, 2011.

Celia O'Leary made a motion to immediately suspend current pension benefits, permanently disqualify and terminate from pension eligibility, and retain contributions in order to pay court ordered fines and restitution. Brian Albert seconded the motion.

The motion to immediately suspend current pension benefits, terminate and disqualify from pension eligibility and retain contributions in order to pay court ordered fines and restitution carried 7-0-1.

Case of Rycharde Sicinski - Pension Disqualification and Termination of Benefits, Plan J

Rycharde Sicinski was hired by the City of Philadelphia's Department of Licenses and Inspections on September 19, 1983. After attaining twenty-six (26) years, three (3) months and twenty-three (23) days of credited service, Mr. Sicinski separated effective January 16, 2010. He is not collecting a Pension Benefit at this time.

On October 28, 2011, Inspector General Amy Kurland wrote to Executive Director Francis Bielli, and provided documentation concerning the conviction of Rycharde Sicinski on nineteen counts, including; Burglary, theft by Unlawful taking, Conspiracy, Receiving Stolen Property, Official Oppression-Arrest, Perjury and Trespassing.

Mr. Sicinski worked as an L&I employee with the Community Life Improvement Program, which was tasked with cleaning up deteriorated properties. During his employment, Mr. Sicinski, along with a number of other L&I employees, began removing and keeping personal property from City residents, in violation of City policy and positive law. Mr. Sicinski was charged in connection with three incidents, and pled guilty to various counts as outlined in the attached memorandum from the Law Department.

On January 17, 2012 Joshua Stein, Deputy City Solicitor, opined the crimes committed by Mr. Sicinski trigger the forfeiture and disqualification provisions of the Philadelphia Code and the Public Employees Pension Forfeiture Act. Therefore, based on the above-mentioned crime, Mr. Sicinski is disqualified from pension eligibility.

Mr. Stein advises the Board must vote on the following:

- Whether Rycharde Sicinski should be permanently disqualified and terminated from pension eligibility, and
- Whether Mr. Sicinski's pension contributions should be retained for payment of any applicable outstanding court-ordered fines and restitution.

Attached are the following:

1. Opinion from Joshua Stein Deputy City Solicitor dated January 17, 2012.
2. Request from Inspector General Amy Kurland, dated October 28, 2011.
3. Order and supporting documentation signed September 15, 2011.

Harvey Rice made a motion to permanently disqualify and terminate from pension eligibility and also retain contributions in order to pay court ordered fines and restitution. Brian Albert seconded the motion.

The motion to permanently disqualify and terminate from pension eligibility and retain contributions in order to pay court ordered fines and restitution carried unanimously 8-0.

Case of Robert Snyder - Pension Disqualification and Termination of Benefits, Plan B

Robert Snyder was hired by the City of Philadelphia's Police Department on August 14, 2006. After attaining three years and eleven months of credited service, Mr. Snyder separated effective August 9, 2010. He later withdrew his pension contributions, and is not eligible to collect any pension benefits at this time.

On May 13, 2011, Inspector General Amy Kurland wrote to Executive Director Francis Bielli, and provided documentation concerning the guilty plea of Robert Snyder on seven separate counts, including Conspiracy to Distribute 100 grams or more of heroin, Possession with Intent to Distribute 100 grams or more of heroin, Possession with Intent to Distribute 100 grams or more of heroin within 1,000 feet of a school, Use of a Communications Device in Furtherance of Drug Trafficking, Conspiracy to Commit Robbery Which Interferes with Interstate Commerce, Attempted Robbery Which Interferes with Interstate Commerce, and Using and Carrying a Firearm During a Crime of Violence.

Mr. Snyder, along with other former police officers, staged an arrest of a drug dealer in possession of a large amount of illegal drugs, in order to take the carrying he was transporting and sell the drugs to another dealer. Mr. Snyder was charged in connection with this incident, and pled guilty to various counts as outlined in the attached memorandum from the Law Department.

On January 17, 2012, Joshua Stein, Deputy City Solicitor, opined the crimes committed by Mr. Snyder trigger the forfeiture and disqualification provisions of the Philadelphia Code. Therefore, based on the above-mentioned crime, Mr. Snyder is disqualified from pension eligibility.

Mr. Stein advises the Board must vote on the following:

- Whether Robert Snyder should be permanently disqualified and terminated from pension eligibility.

Attached are the following:

1. Opinion from Joshua Stein Deputy City Solicitor dated January 17, 2012.
2. Request from Inspector General Amy Kurland, dated May 13, 2011.
3. Order and supporting documentation signed May 11, 2011.

Hilary Cornell made a motion to permanently disqualify and terminate from pension eligibility. Celia O'Leary seconded the motion.

The motion to permanently disqualify and terminate from pension eligibility carried unanimously 8-0.

Case of James Venziale - Pension Disqualification and Termination of Benefits, Plan B

James Venziale was hired by the City of Philadelphia's Police Department on April 17, 2000. After attaining ten years and two months of credited service, Mr. Venziale separated effective August 9, 2010. He later withdrew his pension contributions, and is not eligible to collect any pension benefits at this time.

On May 13, 2011, Inspector General Amy Kurland wrote to Executive Director Francis Bielli, and provided documentation concerning the guilty plea of James Venziale on three counts including Conspiracy to Distribute 100 grams or more of heroin, Possession with Intent to Distribute 100 grams or more of heroin, and Possession with Intent to Distribute 100 grams or more of heroin within 1,000 feet of a school.

Mr. Venziale, along with other former police officers, staged an arrest of a drug dealer in possession of a large amount of illegal drugs, in order to take the carrying he was transporting and sell the drugs to another dealer. Mr. Venziale was charged in connection with this incident, and pled guilty to various counts as outlined in the attached memorandum from the Law Department.

On January 17, 2012, Joshua Stein, Deputy City Solicitor, opined the crimes committed by Mr. Venziale trigger the forfeiture and disqualification provisions of the Philadelphia Code. Therefore, based on the above-mentioned crime, Mr. Venziale is disqualified from pension eligibility.

Mr. Stein advises the Board must vote on the following:

- Whether James Venziale should be permanently disqualified and terminated from pension eligibility.

Attached are the following:

1. Opinion from Joshua Stein Deputy City Solicitor dated January 17, 2012.
2. Request from Inspector General Amy Kurland, dated May 13, 2011.
3. Order and supporting documentation signed May 11, 2011.

Hilary Cornell made a motion to permanently disqualify and terminate from pension eligibility. Celia O'Leary seconded the motion.

The motion to permanently disqualify and terminate from pension eligibility carried unanimously 8-0.

NEW BUSINESS

Executive Director's Report

- a. Proposed 2012 Board Election Schedule – Mr. Bielli passed out the proposed election schedule and asked the Board to let him know if there are problems with the dates. The RFP will be going out in February or March so there is time before June to select a vendor. The Board discussed having a subcommittee, excluding the elected trustees, to review the applicants. Harvey Rice, Brian Albert and Paula Weiss volunteered to be on the subcommittee.

Mr. Bielli stated that the Clifton Gunderson report was given out and if there are any questions to let him know. The presentation by the Actuary, Ken Kent will be held at the February Board meeting.

Mr. Bielli stated that staff is working with the Law Department on updating the Plan 67 and 87 booklets as the books haven't been updated since 2008. They are considering putting an insert in the back of the book to include the new rules for DROP and PLOP so the information can be changed when the Union matters regarding DROP are finalized. Ms. Pankey suggested waiting to update the booklets until a decision is made regarding DROP because it may confuse people. Mr. Bielli agreed it could wait but a draft version would be done in a Word document so any changes could be incorporated quickly.

Ms. Stukes asked if Local 2186 of District Council 47 were able to be included in the Union's proceedings on DROP. Mr. Bielli said he hasn't received any legal documents that they have been incorporated in the DROP stipulations.

Mr. Bielli informed the Board that he should be hearing from the Department of Revenue regarding the Tax Delinquency Initiative. The plan was for the Revenue Department to send out two letters and one-third of the people complied after the initial letter was sent. The Commissioner, Mr. Richardson, expects more after the second letter and, at that point, Revenue will then refer it to the Pension Board. For those people receiving pensions an offset may be applied. There will be minimal impact administratively on Pension Board staff

as the Department of Technology (DOT) will implement the offsets after the Pension Board sends notification letters and response time elapses. The initial count was 2,100 people and approximately \$12,000,000.

Mr. Reilly requested a list of the people as there may be certain members who want to satisfy this.

Mr. Bielli stated that the travel information for the 4th quarter was included in the packets. He noted that the categories on the report will be changed going forward because the category for Staff travel is not conferences but “due diligence”.

Education & Travel Request

John Reilly made a motion that the elected trustees be able to attend the annual NCPERS conference in New York, NY from May 5-10, 2012. Carol Stukes seconded the motion.

The motion to approve the elected trustees to attend the Annual NCPERS Conference in New York, NY from May 5-10, 2012 carried 6-2.

- **FYI**

- a. Litigation Summary – Mr. DiFusco stated there is one new appeal. Mr. Ferrante filed his notice of appeal January 13, 2012. The Securities Litigation Summary is also included.

Secure Pension Choice

Ms. Stukes stated that she and Mr. Reilly are on the Board of the National Conference Public Employees Retirement System (NCPERS) and they do a lot of lobbying for all public pension funds. Because of the debates taking place about pension plans and where the funds are going they decided to help America understand the reason for defined benefits and they created something called the “Secure Pension Choice”. They want to begin lobbying for this in the private sector to help them understand why public sector employees have these benefits. This is something the private sector can offer to their workers instead of them being so hard on public sector employees. They will try and get this out to the public when they go to Washington next week. There have been meetings in Congress to try to introduce this new Plan which is similar to a defined benefit plan for public employees. Books explaining the Secure Pension Choice were available for all and Ms. Stukes encouraged everyone to take one.

John Reilly made a motion to adjourn. Harvey Rice seconded the motion.

The meeting adjourned at 9:15 a.m.